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FM AMEMBASSY ABUJA  
TO RUEHC/SECSTATE WASHDC PRIORITY 5877  
INFO RUEHZK/ECOWAS COLLECTIVE  
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RUEHGB/AMEMBASSY BAGHDAD 0234  
RUEHSA/AMEMBASSY PRETORIA 1845  
RUEHYD/AMEMBASSY YAOUNDE 0794  
RUEHOS/AMCONSUL LAGOS 1215  
RUCPDO/DEPT OF COMMERCE WASHDC  
RHEBAAA/DEPT OF ENERGY WASHDC  
RUEATRS/DEPT OF TREASURY WASHDC  
RUEHC/DEPT OF LABOR WASHDC  
RHEHNSC/NSC WASHINGTON DC  
RUEAIIA/CIA WASHINGTON DC  
RUEKDIA/DIA WASHDC  
RHMFISS/HQ USEUCOM VAIHINGEN GE  
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C O N F I D E N T I A L SECTION 01 OF 02 ABUJA 000743

SIPDIS

DEPT FOR DRL, AF/W  
PLEASE PASS USTR FOR AGAMA  
DOL FOR SUDHA HALEY  
DOE FOR GEORGE PERSON  
DOC FOR 3317/ITA/OA/KBURRESS  
TREASURY FOR DAN PETERS  
BAGHDAD FOR DUNDAS MCCULLOUGH

E.O. 12958: DECL: 04/27/2019  
TAGS: [PGOV](#) [ELAB](#) [PREL](#) [PHUM](#) [ENRG](#) [ASEC](#) [NI](#)  
SUBJECT: NIGERIA FUEL TANKER STRIKE INDICATIVE OF LARGER  
ISSUES

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Classified By: Political Counselor Walter N.S. Pflaumer for reasons 1.4  
. (b & d).

¶1. (U) Summary: On April 21, the Petrol Tanker Drivers Union (PTDU), an arm of the National Union of Petroleum and Natural Gas Workers (NUPENG), ended its three-day strike over the seizure of members' trucks and alleged harassment, intimidation, and extortion of tanker drivers by the Lagos State Traffic Management Authority (LASTMA). The three-day strike resulted in long lines of frustrated motorists across the country, as well as price-gouging and illegal fuel sales on the black market. The PTDU and Lagos State government ended the strike after Federal Government intervention, but it was the Nigerian National Petroleum Corporation's (NNPC) decision to pay the parking fines that is suspected to have contributed the most to ending the standoff. The PTDU strike is the latest of several strikes by Nigerian labor unions over the last six months, reflecting growing discontent and presaging further conflict should deep-rooted issues go unresolved. End Summary.

¶2. (C) On April 18, the Petroleum Tanker Drivers Union (PTDU) went on strike to protest Lagos State Traffic Management Authority's (LASTMA) seizure of fifty trucks for violating parking laws. Lagos State Transportation Commissioner Bamidele Badejo vowed not to release the trucks until the parking fines were paid. According to PTDU Executive Secretary Najeem Korodo, the PTDU responded by suspending fuel loading until LASTMA released the seized trucks. On April 21, the Lagos State Governor's Special Adviser on Public Communication, Idowu Ajanaku, informed PolOff that the strike ended after Lagos Governor Babatunde Fashola ordered the release of the impounded trucks immediately following a meeting with President Umaru Yar'Adua on April 20. (Note: Long lines of motorists

persist despite the strike's end, but could be attributable to depleted inventories, as a result of the strike, or shortages from importers who have responded to GON's payment arrears by cutting back on shipments. End note.)

13. (C) On the margins of Nigeria's First National Employment Summit on April 23, NUPENG President Peter Akpatasan told LabOff that the NNPC agreed to pay the parking fines, which helped to end the strike, but unfortunately did not address the root problem of "corrupt LASTMA officials who continue to connive with local police to extort tanker drivers." Akpatasan explained that there is only one fuel storage facility, located in Lagos, where all of the country's tanker drivers have to load their fuel. There is little to no available space for parking around the facility while tankers await fueling. Akpatasan admitted that the tanker drivers were forced to park illegally, blocking traffic flow and adding to existing congestion. He lamented the fact that the situation made the drivers vulnerable to LASTMA and police who seek bribes in exchange for not writing tickets.

14. (C) According to Nigeria Labor Congress (NLC) General Secretary John Odah, PTDU's three day strike reflects only the tip of the iceberg of frustration among petroleum sector unions. Odah told LabOff that the three day strike reflects a larger anxiety among petroleum sector unions over the GON's decision to deregulate the downstream sector fully. Odah told LabOff that full privatization of the petroleum industry will have disastrous consequences for the welfare of Nigerian workers. He predicted that eliminating the government fuel subsidies would lead to increased costs of production and transportation, which would then result in the slowdown in domestic production, followed by widespread layoffs and

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unemployment. Odah admitted that corruption is rampant within the fuel subsidy system, but sees it more preferable than a completely privatized operation in which labor unions would have no opportunity for dialogue.

15. (U) COMMENT: This is not the first time that the tanker drivers and the Lagos State government have clashed over traffic control. Similar disputes occurred during the tenure of former Governor Tinubu and are likely to occur in the future. However, we suspect that the PTDU's three-day strike is a manifestation of a larger anxiety and frustration among all of Nigeria's labor unions seeking to preserve their legitimacy during financial and economic uncertainty. While the Ministry of Labor's relationship with organized labor has improved, historical distrust and opposing ideologies on how to address the economic crisis continue to delay progress on agenda items important to organized labor, such as fuel prices, wages, payment of arrears, and monetization of benefits. In the meantime, the absence of mutually beneficial solutions is likely to erode confidence and lead to further disruptions to Nigeria's economic and social progress. End comment.

16. (U) This cable was coordinated with Consulate Lagos.

SANDERS